ANDERSEN LAW FIRM, LTD.
Ryan A. Andersen, Esq.
Nevada Bar No. 12321
101 Convention Center Drive
Suite 600
Las Vegas, Nevada 89109
Email: *randersen@andersenlawlv.com*
Phone: 702-522-1992
Fax: 702-825-2824

Attorney for Plaintiff

UNITED STATES DISTRICT COURT

DISTRICT OF NEVADA

PAUL IACOVACCI, Plaintiff, v. ROBERT W. NOKLEY, SR., an individual; NOKLEY GROUP, LLC, a Nevada limited liability company; DOE DEFENDANTS I THROUGH X; and ROE CORPORATIONS XI THROUGH XX, Defendants.	Case No. **VERIFIED COMPLAINT**

PAUL IACOVACCI ("Plaintiff"), by and through his counsel, Ryan A. Andersen, Esq., of Andersen Law Firm, Ltd., complains against Defendants as follows:

I. PARTIES

1. Plaintiff is, and was at all times relevant hereto, an individual and domiciliary of the State of New York.

2. ROBERT W. NOKLEY ("Nokley") is, and was at all times relevant hereto, an individual and domiciliary of the State of Nevada.

3. NOKLEY GROUP, LLC ("NG", and, with Nokley, "Defendants") is, and was at all times relevant hereto, a Nevada limited liability company with its principal place of business in the

State of Nevada. Upon information and belief, NG is authorized to transact business in the State of Nevada and regularly conducts business in Clark County, Nevada.

4. The true names and capacities of DOE DEFENDANTS I through X, inclusive, are unknown to Plaintiff, who therefore sue such Defendants by these fictitious names. Plaintiff is informed and believes that each Defendant is responsible in some manner for the events and happenings referred to, and damages caused thereby to Plaintiff as alleged herein. Plaintiff will ask leave of this Court to amend its Complaint to insert true names and capacities when such Defendants have been ascertained to join such Defendants in this action.

5. The true names and capacities of ROE CORPORATIONS XI through XX, inclusive, are unknown to Plaintiff, who therefore sue such Defendants by these fictitious names. Plaintiff is informed and believes that each Defendants is responsible in some manner for the events and happenings referred to, and damages caused thereby to Plaintiff as alleged herein. Plaintiff will ask leave of this Court to amend its Complaint to insert true names and capacities when such Defendants have been ascertained to join such Defendants in this action

II. JURISDICTION AND VENUE

6. Plaintiff hereby incorporates by reference each of the preceding paragraphs in this Complaint as if fully set forth herein.

7. The Court has jurisdiction over this civil action pursuant to 28 USC § 1332(a), as Plaintiff is a citizen of the State of New York, Defendants are each citizens of the State of Nevada, and the amount in controversy exceeds $75,000.00, exclusive of interest and costs.

8. Venue is proper as the actions and harms arising from such actions occurred in Clark County, Nevada.

III. GENERAL ALLEGATIONS

9. Plaintiff hereby incorporates by reference each of the preceding paragraphs in this Complaint as if fully set forth herein.

10. On or about October 7, 2016, Plaintiff entered into a written contract with Defendants, entitled "Participation Agreement" ("Agreement"). The Agreement is signed by Plaintiff, and by Nokley, both on behalf of NG and individually.

11. In the Agreement, Defendants stated they were "purchasing workers compensation accounts receivable" ("Receivables"), and would be placing these accounts with collection agency or agencies to collect the amounts due.

12. Defendants represented to Plaintiff that the Receivables had a face value of approximately $29,779,925.41.

13. Pursuant to the Agreement, Plaintiff made a cash investment in NG of $150,000.00 ("Investment"), in return for a 30% participation interest in NG.

14. Pursuant to the Agreement, NG was required to provide Plaintiff with timely information regarding: (i) the servicing and collection probabilities of the Receivables; (ii) payment promise reports received from insurance carriers; and (iii) reconcile reporting for payments actually received.

15. Pursuant to the Agreement, NG was required to remit performance payments equal to 30% of funds received by NG.

16. After paying the Investment to Defendants, Defendants refused to provide required information to Plaintiff, failed to properly communicate with Plaintiff, and, most troubling, failed to remit payments to Plaintiff, except for the following payments: $2,689.42 received on November 4, 2016; $3,005.00 received on November 21, 2016; and $3,000.00 received on December 2, 2016 ("Participation Payments").

17. Starting in December of 2016, communication with Defendants became even more difficult, with Nokley failing to be on several scheduled phone calls and with Nokley's assistant's phone going immediately go to voicemail.

18. Plaintiff became extremely and understandably concerned regarding the safety of the Investment and his prospects of receiving any money back from Defendants, especially in the face of Defendants' ongoing and worsening deflection, obfuscation, and avoidance.

19. Plaintiff communicated his concerns to Defendants, and Defendants responded, through Nokley, first by trying to mollify Plaintiff, then by claiming Plaintiff was being needlessly paranoid.

20. Plaintiff continued to press his concerns and demand access to information, communicating such requests by phone, email, and text message.

21. Eventually, in the face of Plaintiff's appropriate demands for information, Defendants agreed to settle the controversy with Plaintiff by buying out Plaintiff's interest in the Company ("Settlement"). Specifically, Defendants agreed on December 12, 2016, to repay the Investment with a $30,000.00 return on investment, for a total payment of $180,000.00 ("Settlement Payment"). The Participation Payments and any other payments made by Defendants prior to paying the Settlement Payment would reduce the Settlement Payment. The Settlement is evidenced by emails between Nokley and Plaintiff setting forth all of its material terms.

22. After agreeing to the Settlement Payment, Nokley told Plaintiff that Nokley was attempting to obtain a loan from JPMorgan Chase Bank to fund the full amount of the Settlement Payment. Other than Nokley's asserted attempts to obtain the loan, and his statement that he would liquidate an IRA to fund the Settlement Payment, Plaintiff has received no real evidence that Nokley actually attempted to obtain funds to pay the Settlement Payment. As Defendants' purported efforts to fund the Settlement continued, his communications with Plaintiff became more sporadic and Nokley became increasingly difficult to reach and defensive regarding his actions.

23. Despite promising Plaintiff the Settlement Payment would be made on or before December 16, 2016, Defendants have not made the Settlement Payment and have not paid any other distributions or payments of any kind to Plaintiff, except the Participation Payments described above.

24. On or about January 11, 2017, Nokley disclosed to Plaintiff that he had removed approximately $44,000.00 from NG without Plaintiff's permission and without paying amounts required by the Agreement to be paid to Plaintiff, purportedly to fund medical treatments for his wife.

25. As of the filing of the instant Complaint, Plaintiff has no idea what other monies Nokley has wrongfully appropriated for his own purposes, and, indeed Plaintiff does not even know if Defendants actually purchased the Receivables.

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26. In preparing the instant Complaint, Plaintiff learned for the first time on January 16, 2017, that this is not the first time that Nokley has engaged in fraudulent business dealings. Nokley was sued in 2015 in the Eighth Judicial District Court for Clark County, Nevada ("Prior Action"), Case No. A-15-713931-C. In the Prior Action, Nokley was accused of wrongfully removing all funds from a bank account belonging to Medical Lien Solutions II, LLC ("MLS") and barring the managing member of MLS from management of such company.

27. A temporary restraining order and then a preliminary injunction was issued against Nokley in the Prior Action, and a receiver was appointed to preserve the value of MLS while the management dispute was resolved. Nokley agreed to a settlement in the Prior Action, but violated the terms of such settlement, leading to the entry of a $500,000.00 judgment against him.

28. In this judgment, Nokley and any of his businesses or agents were enjoined from competing with MLS in any way, including being "specifically enjoined from engaging in the business of buying, brokering, or servicing medical related accounts receivable." It is likely Defendants violated this injunction by purchasing and servicing the Receivables, assuming Defendants actually purchased the Receivables.

29. Plaintiff was completely and totally unaware of the Prior Action, the judgment entered in the Prior Action, and the injunction against Nokley contained within such judgment. Had Plaintiff known of any of this, he would never have went into business with Defendants.

IV. FIRST CLAIM FOR RELIEF

Breach of Contract

30. Plaintiff hereby incorporates by reference each of the preceding paragraphs in this Complaint as if fully set forth herein.

31. Plaintiff and Defendants entered into a valid and existing contact, both with respect to the Agreement and the Settlement.

32. Plaintiff paid $150,000.00 to Defendants, and Plaintiff otherwise performed or was excused from performance.

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33. Defendants have repeatedly and materially breached both the Agreement and the Settlement.

34. Plaintiff has sustained damages in an amount in excess of $10,000.00 as a result of Defendants' breach.

V. SECOND CLAIM FOR RELIEF

Breach of the Implied Covenant of Good Faith and Fair Dealing Against All Defendants

35. Plaintiff hereby incorporates by reference each of the preceding paragraphs in this Complaint as if fully set forth herein.

36. Plaintiff and Defendants were parties to the Agreement.

37. Defendants owed a duty of good faith and fair dealing to Plaintiff arising from the Agreement.

38. Defendants breached their duty of good faith and fair dealing by performing in a manner that was unfaithful to the purposes of the Agreement.

39. Plaintiff's justified expectations were thereby denied.

40. Plaintiff has sustained damages in an amount in excess of $10,000.00 as a result of Defendants' breach.

VI. THIRD CLAIM FOR RELIEF

Tortious Breach of the Covenant Good Faith and Fair Dealing Against All Defendants

41. Plaintiff hereby incorporates by reference each of the preceding paragraphs in this Complaint as if fully set forth herein.

42. Plaintiff and Defendants were parties to the Agreement.

43. Defendants owed a duty of good faith and fair dealing to Plaintiff arising from the Agreement.

44. A special element of reliance and a fiduciary duty existed between Plaintiff and Defendants, and Defendants were in a superior and entrusted position under the Agreement relative to Plaintiff.

45. Defendants breached the duty of good faith by engaging in misconduct.

46. Plaintiff has sustained damages in an amount in excess of $10,000.00 as a result of Defendant's breach.

VII. FOURTH CLAIM FOR RELIEF

Breach of Fiduciary Duty Against Nokley

47. Plaintiff hereby incorporates by reference each of the preceding paragraphs in this Complaint as if fully set forth herein.

48. As both the managing member of NG and by virtue of his business partnership with Plaintiff, Nokley owed a fiduciary duty to Plaintiff.

49. Nokley repeatedly and materially breached the fiduciary duty he owed to Plaintiff.

50. Plaintiff has sustained damages in an amount in excess of $10,000.00 as a result of Nokley's breach.

VIII. FIFTH CLAIM FOR RELIEF

Conversion Against All Defendants

51. Plaintiff hereby incorporates by reference each of the preceding paragraphs in this Complaint as if fully set forth herein.

52. Defendant wrongfully exerted dominion and control over Plaintiff's property, the Investment, by inducing Plaintiff to make such Investment, and by wrongfully diverting at least $44,000.00 from NG to Nokley.

53. Defendants actions were in denial of, and inconsistent with, Plaintiff's right and title to his personal property.

54. The act was in derogation, exclusion, and defiance of Plaintiff's right in his personal property.

55. Plaintiff has sustained damages in an amount in excess of $10,000.00 as a result of Defendants' actions.

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IX. SIXTH CLAIM FOR RELIEF

Unjust Enrichment Against All Defendants

56. Plaintiff hereby incorporates by reference each of the preceding paragraphs in this Complaint as if fully set forth herein.

57. Defendants have unjustly retained the money and property of Plaintiff.

58. Defendants retention of the money and property of Plaintiff is against fundamental principles of justice or equity and good conduct.

59. Defendants should not be allowed to profit as a result of their inequitable conduct.

60. Plaintiff has sustained damages in an amount in excess of $10,000.00 as a result of Defendants' actions

X. SEVENTH CLAIM FOR RELIEF

Fraudulent or Intentional Misrepresentation Against All Defendants

61. Plaintiff hereby incorporates by reference each of the preceding paragraphs in this Complaint as if fully set forth herein.

62. Defendants failed to disclose a material fact of which they were actually aware, specifically the existence of the Prior Action and the fact that they were enjoined from entering the very business contemplated by the Agreement, the purchasing and servicing of the Receivables.

63. Through their silence, Defendants intended to, and did in fact, mislead Plaintiff.

64. Defendants knew that failing to disclose this relevant information would mislead Plaintiff and failed to disclose this information in order to mislead Plaintiff.

65. Through their silence, Defendants intended to induce Plaintiff to enter into the Agreement and to make the Investment.

66. When entering into the Agreement and making the Investment, Plaintiff justifiably relied upon Defendants' misrepresentation and material omissions.

67. Plaintiff has sustained damages in an amount in excess of $10,000.00 as a result of Defendants' actions.

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XI. EIGHTH CLAIM FOR RELIEF

Receivership and Other Equitable Relief Against All Defendants

68. Plaintiff hereby incorporates by reference each of the preceding paragraphs in this Complaint as if fully set forth herein.

69. Defendants have wrongfully and repeatedly failed to honor its obligations under the Agreement and Settlement, and have wrongfully misappropriated monies to their own use by refusing to pay them to Plaintiff, as required by the Agreement.

70. Nokley has admitted to misappropriating at least $44,000.00 from NG without properly making the payments required by the Agreement. It is unknown how much additional money has been misappropriated by Defendants or how much money remains with which Defendants can satisfy Plaintiff' damages. As a result, immediate and irreparable harm will result if Plaintiff is not afforded equitable relief on an emergency basis.

71. Based on the foregoing, Plaintiffs are entitled to one or more of the following equitable remedies:

a. The appointment of a receiver;

b. A temporary restraining order, preliminary injunction, and permanent injunction barring Defendants from disposing of any property or removing any funds from any of their financial accounts without permission of this Court;

c. An order compelling Defendants to provide to Plaintiff a complete accounting of NG and the Receivables;

d. An order compelling the return of any funds taken by Nokley from NG; and

e. An order requiring Defendants to immediately provide Plaintiff access to all the books and records of NG, including all information concerning all of NG's financial accounts; and

f. Such other equitable relief as may be requested by the Plaintiff or deemed appropriate by the Court.

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XII. RELIEF REQUESTED

WHEREFORE, Plaintiff requests the Court enter judgment against Defendants and grant relief to Plaintiff as follows:

1. For an award of damages in an amount in excess of $10,000.00, to be proven at trial.
2. For an award of prejudgment interest;
3. For an award of post-judgment interest;
4. For an award of punitive or exemplary damages;
5. For an award of equitable relief as set forth in this Complaint;
6. For an award of attorneys' fees and costs incurred in this action; and
7. For an award of such other and further relief as the Court deems just and proper under the circumstances.

Dated this 17th day of January, 2017.

Respectfully submitted by:

ANDERSEN LAW FIRM, LTD.

By: /s/ Ryan A. Andersen
Ryan A. Andersen, Esq.
Nevada Bar No. 12321
101 Convention Center Drive
Suite 600
Las Vegas, Nevada 89109

Attorney for Plaintiff

VERIFICATION

I, Paul Iacovacci, hereby verify under penalty of perjury that (1) I know the information in the foregoing Complaint relating to Plaintiff to be true and correct and (2) I believe the information in the foregoing Complaint relating to Defendants to be true and correct.

Dated this 17th day of January, 2017.

PAUL IACOVACCI

STATE OF New York)
)
COUNTY OF New York)

SUBSCRIBED and SWORN to before me by

Paul Iacovacci (name) this 17 day of January, 2017.

NOTARY PUBLIC
Maxine White

MAXINE WHITE
Notary Public - State of New York
NO. 01WH6238055
Qualified in Kings County
My Commission Expires Mar 28, 2019

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